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District: Caldwell

Assessment: 9_12 Marketing MH32 - Sports and Entertainment Marketing II Test 4

Description: SEM2 Unit 3 Review Questions

Form: 501

1. What type of ticket/seating arrangement do sport venues sell to accommodate spectators who are price conscious and are willing to occupy any available seats on a first-come, first-serve basis?

NCCTE.9_12.ME.MH32.3.01

RBT:

- A. Reserved
- B. General admission**
- C. Box
- D. Aisle

2. Which of the following stadium seating arrangements are usually the least expensive tickets that fans can purchase:

NCCTE.9_12.ME.MH32.3.01

RBT:

- A. General admission
- B. Reserved
- C. Luxury boxes
- D. Festival**

3. One reason it is important for sport/event marketers to be able to accurately explain ticketing and seating arrangements is to help customers

NCCTE.9_12.ME.MH32.3.01

RBT:

- A. obtain the type of seats they want at the price they want to pay.**
- B. select seats that are located near concession stands.
- C. purchase discount tickets from a permanent box office.
- D. identify the type of sport/event that is the most appropriate.

4. The cable network that televises college basketball games throughout the country is _____ the sports product.

NCCTE.9_12.ME.MH32.3.02

RBT:

- A. distributing**
- B. franchising
- C. publicizing
- D. sponsoring

5. Rhonda is making a presentation to the chamber of commerce of a large city in anticipation of building a sports complex. What is the primary element of distribution that she should discuss with them?

NCCTE.9_12.ME.MH32.3.02

RBT:

- A. Amenities
- B. Revenues
- C. Parking
- D. Facility**

6. Which of the following is a place decision that must be made in sports and entertainment marketing:

NCCTE.9_12.ME.MH32.3.02

RBT:

- A. Should direct mail be sent to last season's ticket holders?
- B. Will local or national media be used?
- C. How will fans obtain the schedule of events?
- D. Where will ticket outlets be found?**

7. Expanded bandwidth is changing the face of in-home entertainment by

NCCTE.9_12.ME.MH32.3.02

RBT:

- A. eliminating the need for cable hookups.
- B. allowing for delivery of the Internet through television sets.**
- C. improving fiber optics cable and electrical lines.
- D. creating high-definition television.

8. An increase in ticket prices is most accepted by fans if a sport has a(n) _____ demand for tickets.

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. inelastic**
- B. low
- C. elastic
- D. unitary

9. Why would an event marketer promote an upcoming celebrity golf tournament at an exclusive course as a once-in-a-lifetime event?

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. To have expensive media coverage
- B. To obtain more industry support
- C. To increase advertising costs
- D. To generate higher ticket prices**

10. What do sales beyond the break-even point provide to a business?

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. Initial markup
- B. Variable-cost margin
- C. Dividends
- D. Profit**

11. A business decides to produce 6,000 football cushions and sell them for \$6.00 each. They cost the company \$4.00 each to produce. How many cushions must the company sell to break even?

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. 4,000**
- B. 3,000
- C. 600
- D. 6,000

12. A college athletic department sets the football ticket prices so that the organization earns income of \$12 per ticket after covering expenses. This is an example of a price objective based on

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. demand.
- B. competition.
- C. profitability.**
- D. volume.

13. A product's selling price is \$430 per unit, and the number of units required to reach the break-even point is 2,100. Calculate the total dollar sales the business needs to break even.

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. \$890,000
- B. \$4.88 per unit
- C. \$903,000**
- D. \$.21 per unit

14. When setting ticket prices for professional baseball games, the organization considers the team's performance, which is a(n) _____ factor.

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. situational**
- B. ethical
- C. operational
- D. developmental

15. If your goal is to avoid storing or discarding merchandise, what pricing strategy should you select?

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. Competitive
- B. Close out**
- C. Cost plus markup
- D. Versioning

16. Determine a firm's break-even point in units, given the following information: total fixed cost, \$4,000; variable cost per unit, \$20; and selling price per unit, \$100.

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. 50 units**
- B. 80 units
- C. 100 units
- D. 500 units

17. When a hockey team sets its ticket prices so it can achieve its goal of increasing its fan base by five percent, the hockey team is establishing a price objective in conjunction with a _____ goal.

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. licensing
- B. cost
- C. sales**
- D. contingency

18. A soccer camp provides five leaders at \$8 per hour for eight hours a day for five days. If fringe benefits are 20% of the wages and supplies total \$650, calculate the cost per person if 40 players attend.

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. \$64.25**
- B. \$48.00
- C. \$56.25
- D. \$32.25

19. A professional football team that increases ticket prices for next season because the team is on a winning streak is selecting a pricing strategy based on

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. previous winning potential.
- B. the number of games played.
- C. what the market will bear.**
- D. the location of the target market.

20. A sporting event setting ticket prices based on potential customers' ability to pay is an example of a price

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. promotion.
- B. objective.**
- C. restriction.
- D. motive.

21. The variable cost for a product is \$3.00 and the total fixed costs are \$288,000. The company sells the products for \$6.00 each. How many products will the company have to sell to break even?

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. 4,800
- B. 32,000
- C. 48,000
- D. 96,000**

22. Which of the following is the least important factor when selecting a pricing strategy:

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. Promotional strategy
- B. Competitor prices
- C. Cost of merchandise
- D. Location of store**

23. A business purchases a line of items for resale that cost \$12.32 each. Expenses total \$1.65 per item. What is the break-even price per item?

NCCTE.9_12.ME.MH32.3.03

RBT:

- A. \$14.71
- B. \$14.26
- C. \$13.97
- D. \$14.92

24. One reason sport/event marketers often bundle extra amenities with tickets is to

NCCTE.9_12.ME.MH32.3.04

RBT:

- A. manage distribution.
- B. increase revenue.
- C. improve coverage.
- D. control publicity.

25. When forecasting projected ticket sales for a professional basketball team, sporting event organizers consider the

NCCTE.9_12.ME.MH32.3.04

RBT:

- A. television network broadcast rights.
- B. the size of the opponent's stadium.
- C. team's performance record.
- D. press-box space availability.

26. When developing a preseason booking strategy, the most important factors for a sport/event organization to consider are its timing, target markets, and

NCCTE.9_12.ME.MH32.3.04

RBT:

- A. security issues.
- B. geographic origin.
- C. inventory needs.
- D. selling methods.

27. A successful pre-season booking strategy often involves targeting

NCCTE.9_12.ME.MH32.3.04

RBT:

- A. occasional attendees.
- B. current ticket holders.
- C. walk-up spectators.
- D. community organizations.

28. Which of the following is a characteristic of product bundling in the sport/event industry:

NCCTE.9_12.ME.MH32.3.04

RBT:

- A. Lower prices
- B. Higher quality
- C. Higher prices
- D. Lower quality

29. Which of the following is an incentive that sport organizations often use to sell tickets to large groups:

NCCTE.9_12.ME.MH32.3.05

RBT:

- A. Advertising
- B. Discounts
- C. Publicity
- D. Merchandising

30. Concession stands, licensed merchandise, and luxury box seats are some of the goods and services that are usually available at a(n)

NCCTE.9_12.ME.MH32.3.06

RBT:

- A. sport industry conference.
- B. formal fund-raising dinner.
- C. professional football game.
- D. art exhibit and street festival.

31. When planning a major concert for a popular band, what factor do marketers take into consideration because it has the potential to generate significant additional profit?

NCCTE.9_12.ME.MH32.3.06

RBT:

- A. Advertising possibilities
- B. Merchandising opportunities**
- C. Selling requirements
- D. Financing arrangements

32. Charlie is organizing a dance contest to raise money for the community's recreation center. Which of the following will Charlie need to obtain for the event:

NCCTE.9_12.ME.MH32.3.06

RBT:

- A. Dance floor, athletic equipment, and disk jockey
- B. Sound system, dance floor, and shoes
- C. Disk jockey, dance floor, and sound system**
- D. Sound system, disk jockey, and flowers

33. Which of the following is a type of concession that sports franchises often operate in the sporting facility:

NCCTE.9_12.ME.MH32.3.06

RBT:

- A. Coat-check area
- B. Customer-service office
- C. Child-care center
- D. On-site retail shop**

34. A vendor at the venue for the Anaheim Mighty Ducks wants to sell a product that will generate large revenues on opening day. Which of the following products would most likely generate this revenue:

NCCTE.9_12.ME.MH32.3.06

RBT:

- A. Jerseys featuring a redesigned logo**
- B. Souvenir programs picturing players
- C. Autograph books for children
- D. Champion hockey pucks

35. Why do organizers of major events often hire the services of professional lighting and sound companies?

NCCTE.9_12.ME.MH32.3.06

RBT:

- A. To monitor the timing of all event activities
- B. To entertain crowds during half-time shows
- C. To work with network broadcast crews
- D. To install and operate technical systems**

36. Paramount Entertainment debuts a new ride, Thunder Rapids. Which of the following items would have the most merchandising appeal:

NCCTE.9_12.ME.MH32.3.06

RBT:

- A. A Paramount Entertainment hat
- B. An evergreen product
- C. A soundtrack of the rapids
- D. An "I survived Thunder Rapids" T-shirt**

37. It can be beneficial for a sport/event organization to develop a bartering agreement with a vendor if the agreement

NCCTE.9_12.ME.MH32.3.07

RBT:

- A. helps decrease event expenses.**
- B. involves obtaining food and beverage items.
- C. meets the organization's selling goals.
- D. includes sales-promotion products.

38. Sidney is organizing a 5K run to raise money for cancer research. Sidney agrees to post the Fresh Water Company's sign at the event's participant registration desk in exchange for bottles of water to give the runners who participate in the event. This is an example of a

NCCTE.9_12.ME.MH32.3.07

RBT:

- A. selective distribution strategy.
- B. professional testimonial.
- C. barter agreement.**
- D. contingency plan.

39. Purchasing basic liability insurance protects the sport/event organization or facility from financial risks associated with

NCCTE.9_12.ME.MH32.3.08

RBT:

- A. injuries.
- B. weather.
- C. terrorism.
- D. sales.

40. An event planner should consider purchasing weather insurance for a(n)

NCCTE.9_12.ME.MH32.3.08

RBT:

- A. reception held at a country club.
- B. outdoor art show and festival.
- C. charity dinner and silent auction.
- D. indoor swimming competition.

41. What type of insurance do event organizers purchase in order to cover spectator ticket refunds, sponsorship refunds, and vendor payments?

NCCTE.9_12.ME.MH32.3.08

RBT:

- A. Cancellation
- B. Property
- C. Accident
- D. Term

42. When assessing risks associated with an upcoming event, sport/event organizations should acquire input from all levels of management and

NCCTE.9_12.ME.MH32.3.08

RBT:

- A. local personnel inspectors.
- B. public-relations agencies.
- C. financial consultants.
- D. vertical staff members.

43. What factors might a concert promoter consider when conducting a facility inspection for an upcoming event?

NCCTE.9_12.ME.MH32.3.09

RBT:

- A. Load-in time and advertising costs
- B. Storage space and hospitality options
- C. Ticket design and equipment availability
- D. Concession arrangement and sponsorship costs

44. What do sport/event marketers usually develop to be prepared for possible emergency or crisis situations?

NCCTE.9_12.ME.MH32.3.09

RBT:

- A. Transportation systems
- B. Publicity procedures
- C. Contingency plans
- D. Financial agreements

45. A facility's size, amenities, and location are important considerations when event planners

NCCTE.9_12.ME.MH32.3.09

RBT:

- A. review advertisements.
- B. conduct site inspections.
- C. organize lists.
- D. select payment methods.

46. What do event planners often consider when conducting site inspections of properties that might be used for an event?

NCCTE.9_12.ME.MH32.3.09

RBT:

- A. Reservation list
- B. Expected gratuity
- C. Confirmation number
- D. Geographic location

47. Which of the following is an example of a hospitality option that might be selected to offer preferred customers who attend sports events:

NCCTE.9_12.ME.MH32.3.10

RBT:

- A. Admission to private receptions**
- B. Discounts on future tickets
- C. Free advertising in programs
- D. Copies of autographed photos

48. Which of the following is an example of a hospitality option that is offered to select spectators or fans:

NCCTE.9_12.ME.MH32.3.10

RBT:

- A. Meet and greet backstage passes at a concert**
- B. Lawn seating at an outdoor concert venue
- C. Concessions available for sale in the stands
- D. Tickets available for sale to the public on a certain date